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CITADEL

Group of Funds

Citadel Diversified Investment Trust

Citadel S-1 Income Trust Fund

Citadel HYTES Fund

Citadel SMaRT Fund

MYDAS Fund

Citadel Multi-Sector Income Fund

Series S-1 Income Fund

Citadel Income & Growth Fund

Income & Equity Index Participation Fund

Energy Plus Income Trust

Citadel Stable S-1 Income Fund

Sustainable Production Energy Trust

Equal Weight Plus Fund

Energy Plus Income Trust

ANNUAL REPORT 2005

Energy Plus Income Trust

Energy Plus Income Trust (the “Fund” or “Energy Plus”) is a closed-end investment trust which became listed on the Toronto Stock Exchange upon closing of its initial public offering on November 16, 2004. The Fund does not have a fixed termination date but may be terminated at any time upon not less than 90 days written notice to the Administrator with the prior approval of the unitholders of the Fund by special resolution passed at a meeting called for such purpose.

In 2005, the Fund made monthly cash distributions totaling \$1.0602 per unit (2004 - \$0.095 per unit). In addition, Energy Plus declared a special unit distribution of \$0.5471 per unit to unitholders of record on December 31, 2005, which was payable in units of the Fund. The unit distribution was immediately consolidated into the Fund’s previously issued and outstanding units, such that the effect of the unit distribution was to keep the Fund non-taxable in 2005. As a result of significant realized gains in 2005, the Fund allocated income in excess of distributions declared. The excess allocation resulted in an increase to the adjusted cost base of each unit. Commencing in January 2006, the Fund increased its monthly distribution to \$0.10 per unit from \$0.0833 per unit previously.

INVESTMENT HIGHLIGHTS:

	2005	2004
Net Asset Value per Unit ⁽¹⁾	\$ 12.49	\$ 9.52
Market Price per Unit ⁽¹⁾	\$ 11.72	\$ 9.96
Trading Premium (Discount)	(6.2%)	4.6%
Cash Distributions per Unit ⁽²⁾	\$ 1.0602	\$ 0.095
Trailing Yield ⁽³⁾	9.0%	n/a
Market Capitalization (\$ millions)	\$ 103.5	\$ 111.3

⁽¹⁾ Net asset value and market price per unit are based on year end values.

⁽²⁾ First monthly distribution had a record date of November 30, 2004 and was paid December 15, 2004

⁽³⁾ Trailing yield is based on the 12 months cash distributions declared in each year expressed as a percentage of year end market price.

Stock Symbol	EPF.un (TSX)
2005 High/Low	\$12.90 - \$8.80
2005 Cash Distribution	\$1.0602 per unit
2005 Taxable % ⁽⁴⁾	99.9%
2005 Total Return ⁽⁵⁾	30.1%
2005 Management Expense Ratio	2.2%

⁽⁴⁾ Taxable percentage is based on all other taxable income, two-thirds of dividend income and one-half of capital gains expressed as a percentage of total distributions.

⁽⁵⁾ Total return is based upon the Fund’s change in market price plus the reinvestment of cash distributions in additional units of the Fund.

Management Report of Fund Performance

(April 6, 2006)

This annual report includes both the annual management report of fund performance, containing financial highlights, and the complete annual financial statements of Energy Plus Income Trust (the "Fund" or "Energy Plus").

Unitholders may contact us by calling toll-free 1-877-261-9674 or by visiting our website at www.citadelfunds.com to request a copy of the Fund's proxy voting policies and procedures, proxy voting disclosure or quarterly portfolio disclosure.

INVESTMENT OBJECTIVES AND STRATEGIES

Energy Plus' investment objectives are to provide investors with monthly cash distributions and to achieve a total return on the portfolio over the term of the Fund that is greater than the total return provided by the S&P/TSX Capped Energy Trust Index over the same period. The investment manager will seek to achieve these objectives by selecting and actively managing a diverse portfolio of oil and gas trusts and other resource-based securities.

RISK

There are a number of risks associated with an investment in Energy Plus Income Trust. The principal risks include, but are not limited to, market and income risk. Market risk is the exposure to market price changes in the securities held within the portfolio which have a direct effect on the net asset value of the Fund. Income risk arises from a number of factors related to the operational performance of the issuers of the securities held in the Fund's portfolio. These risks include the effects of fluctuations in commodity prices, foreign currency conversion rates and interest rates and include general business operation risks, any of which may affect the issuers' income and as a result reduce distributions to its unitholders and the value of its units. Diversification and active management by the Fund's investment manager of the securities held in the portfolio may reduce these risks.

RESULTS OF OPERATIONS

Upon closing of its initial public offering on November 16, 2004 which raised net proceeds of \$105.0 million, Energy Plus became substantially invested and started 2005 with only \$26.5 million in cash available for investment. The Fund became fully invested by February 2005 and utilized various levels of leverage throughout the year as the oil and gas sector surged upwards. The Fund's net assets appreciated from \$106.4 million or \$9.52 per unit at December 31, 2004 to \$110.2 million or \$12.49 per unit as rising oil and natural gas prices elevated valuations, despite a large unit redemption of \$27.6 million at December 31, 2005.

The Fund's market price also closed higher in 2005 at \$11.72 per unit compared to the 2004 closing price of \$9.96 per unit. Energy Plus' unit price appreciation plus monthly cash distributions produced a 30.1% total return for 2005, while the Fund generated a 45.0% total return on a net asset value basis. By comparison, the S&P/TSX Income Trust Index increased by 31.0% and the S&P/TSX Energy Trust Index rose by 49.4% in 2005.

Total revenue for the Fund's first full year of operation was \$13.8 million. Administrative and investment manager fees, which are paid in units and calculated in reference to the Fund's net asset value, totaled \$1.4 million for the year. Trailer fees, which are also calculated in reference to the Fund's net asset value, totaled \$0.5 million for the year. Loan interest on leverage that was used periodically throughout the year was \$0.4 million, while general and administrative costs totaled \$0.4 million. After total expenses of \$2.7 million, the Fund generated net investment income of \$11.1 million or \$1.00 per unit for 2005.

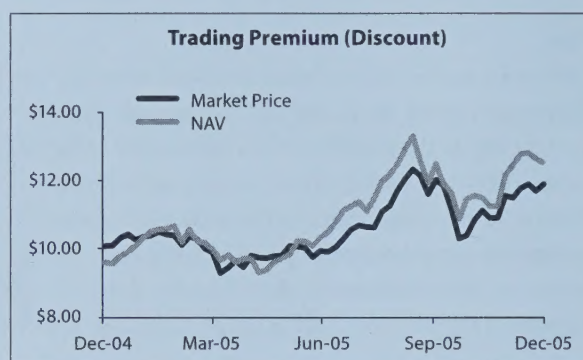
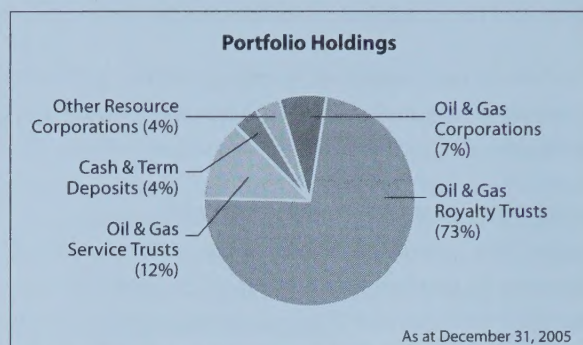
During 2005, Energy Plus paid monthly cash distributions to unitholders of \$11.5 million or \$1.0602 per unit compared to \$1.0 million or \$0.095 per unit in the stub period of 2004. In addition, the Fund declared a special unit distribution of \$0.5471 per unit at December 31, 2005. This unit distribution was immediately consolidated into the Fund's previously issued and outstanding units, such that the effect of the unit distribution was to keep the Fund non-taxable in 2005.

During the year, the Fund realized capital gains of \$17.1 million on the sale of investments as numerous changes were made to the portfolio throughout the year. Unrealized gains in the Fund's portfolio totaled \$16.0 million for the year as strong oil and gas prices pushed valuations higher in 2005. With these large gains, the Fund generated total results of operations of \$44.2 million or \$3.96 per unit in 2005.

At December 31, 2005, the Fund's portfolio consisted primarily of oil and gas royalty trusts with the remainder in oil and gas corporations, other resource corporations and oil and gas service trusts. The performance of the Fund has lagged the energy Index due to the Fund's market price not keeping pace with the growth in its net asset value.

TRADING PREMIUM / DISCOUNT TO NET ASSET VALUE

During 2005, Energy Plus' unit price traded below its net asset value with an average discount of 2.9%. The Fund repurchased 274,200 units at an average cost of \$11.07 per unit for cancellation under its mandatory repurchase program. Under its mandatory repurchase program, the Fund is obligated to repurchase units offered for sale at a discount to net asset value of greater than 5%. In addition, unitholders have a right to redeem their units on an annual basis in December of each year for net asset value less applicable associated costs. Unitholders redeemed a total of 2,242,825 units on December 29, 2005 for a total redemption amount of \$27.6 million or \$12.32 per unit.



RECENT DEVELOPMENTS

On February 6, 2006, the Fund closed its first rights offering which resulted in the issuance of 2,206,715 trust units for gross proceeds of \$23.9 million. Each unitholder of record on January 9, 2006 received one right for each trust unit held. Four rights entitled the holder to purchase one trust unit for a price of \$10.85. The rights offering resulted in a substantial increase in the Fund's cash position which the Fund's investment manager immediately deployed in new investments.

The current combination of a strong global economy, low inflation, high commodity prices and relatively low interest rates provide a favorable environment and a positive outlook for the energy sector. Energy Plus expects to maintain its recently increased monthly distribution rate of \$0.10 per unit (previously \$0.0833 per unit) for 2006 based upon the Fund's current portfolio and analysts' estimates of distributions.

FORWARD LOOKING STATEMENTS

This document contains certain forward looking statements that involve substantial known and unknown risks and uncertainties, some of which are beyond our control, including the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations, including the Canadian Income Tax Act, fluctuations in interest rates, commodity prices and foreign exchange, stock market volatility, and market valuations of income and royalty trusts. Our actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurances can be given that any of these events anticipated by the forward looking statements will transpire or occur, or if any of them do, what benefits, including the amount of proceeds, that we will derive therefrom.

RELATED PARTY TRANSACTIONS

N.A. Energy Management Inc. ("NAEM") is the administrator of Energy Plus, which is a member of the Citadel Group of Funds. CIFSG Funds Inc. provides administrative services to the administrators of the Citadel Group of Funds on a cost recovery basis. All non-fund specific costs are allocated among the Citadel Group of Funds on a relative net asset value basis.

Pursuant to the administrative services agreement, administrative and investment management fees are based upon 1.1% of the average weekly net asset value of the Fund, payable in units monthly in arrears. The administrator is also reimbursed for all general and administrative expenses that relate to the operation of the Fund.

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help the reader understand the Fund's financial performance for the past 2 years. This information is derived from the Fund's audited annual financial statements.

Net Asset Value per Unit

	2005	2004 ⁽¹⁾
NAV, beginning of period	\$ 9.52	\$ 9.40
Increase (decrease) from operations:		
Total revenue	1.24	0.11
Total expenses	(0.24)	(0.03)
Realized gains (losses)	1.53	0.03
Unrealized gains (losses)	1.43	0.09
Total increase (decrease) from operations	3.96	0.20
Distributions:		
From net investment income	1.06	0.08
From capital gains	—	0.02
Total annual distributions	1.06	0.10
NAV, end of period	\$ 12.49	\$ 9.52

⁽¹⁾ The Fund commenced operations on November 16, 2004.

Net asset value ("NAV") and cash distributions are based on the actual number of units outstanding at the time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial period. This schedule is not a reconciliation of NAV since it does not reflect unitholder transactions as shown on the Statement of Changes in Net Assets and accordingly columns may not add.

Distributions were paid in cash in both years. At year end 2005, the Fund also declared a special year end unit distribution which is not reflected above. The unit distribution was immediately consolidated into the Fund's previously issued and outstanding units and as a result there was no impact to the net asset value per unit.

Ratios and Supplemental Data

	2005	2004
Net assets (\$ 000's)	\$ 110,220	\$ 106,406
Number of units outstanding	8,826,861	11,171,679
Management expense ratio	2.21%	1.80%
Portfolio turnover ratio	133.11%	7.18%
Trading expense ratio	0.87%	1.71%
Closing market price	\$ 11.72	\$ 9.96

Management expense ratio is based on total expenses for the period and is expressed as an annualized percentage of weekly average net assets during the period.

Portfolio turnover ratio is based on the lesser of cost of purchases or proceeds of disposition and is expressed as a percentage of the monthly average portfolio value.

Trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of weekly average net assets during the period.

MANAGEMENT FEES

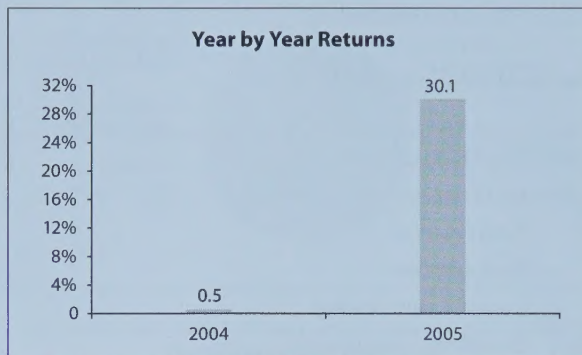
Pursuant to the administrative services agreement, administrative and investment management fees are based upon 1.1% of the average weekly net asset value of the Fund, payable in units monthly in arrears. Galileo Equity Management Inc., as investment manager to the Fund, provides investment management services to the Fund in exchange for its share of the management fee. These fees represent payment for the administrative and investment management services provided to the Fund.

PAST PERFORMANCE

Energy Plus' performance numbers from inception in November 2004 to December 31, 2005 are based upon the Fund's change in market price plus the reinvestment of all distributions in additional units of the Fund. The Fund's historical performance does not necessarily indicate how it will perform in the future.

ANNUAL COMPOUND RETURNS

In the table below are the annual compound returns for the periods ended December 31, 2005 for Energy Plus based on market price and net asset value with comparison to the S&P/TSX Capped Energy Trust Index.



	1 Year	Since inception
Energy Plus (market price)	30.1%	27.1%
Energy Plus (net asset value)	45.0%	42.1%
S&P/TSX Capped Energy Trust Index	49.4%	50.8%

SUMMARY OF INVESTMENT PORTFOLIO

The Fund's portfolio as at December 31, 2005 and 2004 consisted of the following subgroups:

	2005	2004
Oil & Gas Royalty Trusts	72.8%	56.8%
Oil & Gas Service Trusts	11.7%	7.3%
Oil & Gas Corporations	7.3%	11.1%
Other Resource Corporations	4.6%	—
Energy Plus units (repurchased for cancellation)	0.1%	—
Cash and Term Deposits	3.5%	24.8%
Total Investments	100.0%	100.0%

The top 25 holdings as at December 31, 2005 based on market values:

Progress Energy Trust	7.9%	Trinidad Energy Services Income Fund	3.6%
Bonavista Energy Trust	7.3%	PennWest Energy Trust	2.6%
Trilogy Energy Trust	7.3%	Builders Energy Services Trust	2.1%
Daylight Energy Trust	7.0%	Western Prospector Group Ltd.	1.7%
Fairborne Energy Trust	6.3%	ProEx Energy Ltd.	1.6%
Paramount Energy Trust	5.9%	Phoenix Technological Services	1.5%
Focus Energy Trust	5.9%	Midnight Oil Exploration	1.3%
Vault Energy Trust	5.7%	Bankers Petroleum Ltd.	1.1%
Crescent Point Energy Trust	4.8%	Cyries Energy Inc.	1.1%
Zargon Energy Trust	4.3%	QGX Ltd.	0.9%
NAL Oil & Gas Trust	4.2%	Fairquest Energy Ltd.	0.8%
High Arctic Energy Services Trust	3.9%	Leader Energy Services Inc.	0.7%
Ketch Resources Trust	3.7%	% of Total Portfolio	93.1%

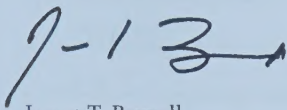
Management's Responsibility Statement

The financial statements of Energy Plus Income Trust have been prepared by N.A. Energy Management Inc. ("NAEM") and approved by the Board of Directors of NAEM. NAEM is responsible for the information and representations contained in these financial statements and the other sections of the annual report.

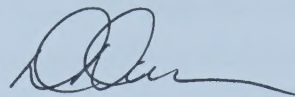
NAEM maintains appropriate procedures to ensure that relevant and reliable financial information is produced. These statements have been prepared in accordance with accounting principles generally accepted in Canada and include certain amounts that are based on estimates and judgments. The significant accounting policies applicable to the Trust are described in Note 2 to the financial statements.

The Board of Directors of NAEM is responsible for ensuring that management fulfills its responsibilities for financial reporting and has reviewed and approved these financial statements. The Board carries out this responsibility through the Audit Committee, which is comprised of the independent directors of the Board.

The Audit Committee on behalf of NAEM and its Board of Directors has appointed the external audit firm of PricewaterhouseCoopers LLP. They have audited the financial statements in accordance with Canadian generally accepted auditing standards to enable them to express to unitholders their opinion on the financial statements. The auditors have full and unrestricted access to the Audit Committee to discuss their findings.



James T. Bruvall
Chief Executive Officer
N.A. Energy Management Inc.
April 6, 2005



Darren K. Duncan
Chief Financial Officer
N.A. Energy Management Inc.

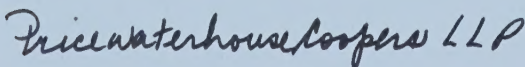
Auditors' Report to Unitholders

To the Unitholders of Energy Plus Income Trust

We have audited the statements of net assets and investments of Energy Plus Income Trust as at December 31, 2005 and 2004, and the statements of operations, changes in net assets and cash flows for the year ended December 31, 2005 and for the period from September 23, 2004, the date of inception of the Fund, to December 31, 2004. These financial statements are the responsibility of management of the Fund's Administrator. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the net assets and investments of the Fund as at December 31, 2005 and 2004 and the results of its operations, the changes in its net assets and cash flows for the year ended December 31, 2005 and for the period from September 23, 2004, the date of inception of the Fund, to December 31, 2004 in accordance with Canadian generally accepted accounting principles.



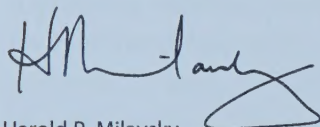
Chartered Accountants
Calgary, Alberta
March 10, 2006

Statement of Net Assets

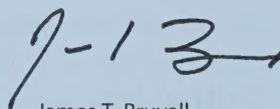
As at December 31,	2005	2004
Assets		
Investments, at market	\$ 125,965,930	\$ 80,253,226
Cash and term deposits	4,538,704	26,503,912
Receivable from investments sold	7,223,860	162,571
Revenue receivable	1,345,572	641,224
Accounts receivable	172,217	112,420
Prepaid expenses	87,987	56,186
	139,334,270	107,729,539
Liabilities		
Redemption payable	27,631,604	—
Distributions payable	1,324,029	614,442
Accounts payable and accrued liabilities	105,922	55,858
Payable for investments purchased	52,806	653,038
	29,114,361	1,323,338
Net Assets representing Unitholders' Equity	\$ 110,219,909	\$ 106,406,201
Units outstanding (note 3)	8,826,861	11,171,679
Net asset value per unit	\$ 12.49	\$ 9.52

see accompanying notes

Signed on behalf of the Board,



Harold P. Milavsky
Chairman of the Board



James T. Bruvall
Director and Chief Executive Officer

Statement of Operations

	Year Ended December 31, 2005	For the Period September 23, 2004 to December 31, 2004
Revenue		
Distribution income	\$ 13,777,376	\$ 1,019,410
Interest income	34,231	141,120
	13,811,607	1,160,530
Expenses		
Administrative and investment manager fees (note 4)	1,409,707	150,356
Trailer fee (note 5)	464,389	55,858
Loan interest	414,512	—
General and administration costs	208,949	13,281
Directors' fees	84,468	7,813
Reporting costs	28,949	9,500
Custodial fees	23,454	4,400
Audit fees	23,199	6,420
Trustee fees	20,389	13,530
Legal fees	6,560	—
	2,684,576	261,158
Net investment income	11,127,031	899,372
Net realized gain on sale of investments (note 6)	17,092,107	366,480
Net change in unrealized gain on investments	16,018,884	966,899
Total results of operations	\$ 44,238,022	\$ 2,232,751
Results of operations per unit ⁽¹⁾		
Net investment income	\$ 1.00	\$ 0.08
Net realized gain on sale of investments	1.53	0.03
Net change in unrealized gain on investments	1.43	0.09
	\$ 3.96	\$ 0.20

⁽¹⁾ Based on the weighted average number of units outstanding.

see accompanying notes

Statement of Changes in Net Assets

	Year Ended December 31, 2005	For the Period September 23, 2004 to December 31, 2004
Net Assets – beginning of period	\$ 106,406,201	\$ –
Operations:		
Net investment income	11,127,031	899,372
Net realized gain on sale of investments	17,092,107	366,480
Net change in unrealized gain on investments	16,018,884	966,899
	44,238,022	2,232,751
Unitholder Transactions:		
Issuance of trust units, net	6,583,655	105,208,324
Redemption of trust units	(27,631,604)	–
Repurchase of trust units	(3,034,481)	–
	(24,082,430)	105,208,324
Distributions to Unitholders: (note 7)		
From net investment income	(12,507,012)	(1,034,874)
From capital gains	(3,834,872)	–
	(16,341,884)	(1,034,874)
Net Assets – end of period	\$ 110,219,909	\$ 106,406,201
Distributions per unit	\$ 1.6073	\$ 0.095

see accompanying notes

Statement of Cash Flows

	Year Ended December 31, 2005	For the Period September 23, 2004 to December 31, 2004
Cash flows from operating activities:		
Net investment income	\$ 11,127,031	\$ 899,372
Fees paid in trust units	1,379,981	148,333
Net change in non-cash working capital	19,933,777	405,623
Purchase of investments	(184,997,166)	(86,525,104)
Proceeds from sale of investments	172,395,454	7,605,258
	19,839,077	(77,466,518)
Cash flows from financing activities:		
Issuance of trust units, net	(13,113)	104,992,264
Proceeds from distribution reinvestment plan	387,769	13,040
Cash distributions to unitholders	(11,512,856)	(1,034,874)
Redemption of trust units	(27,631,604)	–
Repurchase of trust units	(3,034,481)	–
	(41,804,285)	103,970,430
Net increase (decrease) in cash and term deposits	(21,965,208)	26,503,912
Cash and term deposits, beginning of period	26,503,912	–
Cash and term deposits, end of period	\$ 4,538,704	\$ 26,503,912

see accompanying notes

Statement of Investments

	December 31, 2005				December 31, 2004			
	Number of Units Held	Cost	Market Value	% of Market	Number of Units Held	Cost	Market Value	% of Market
Oil & Gas Royalty Trusts								
APF Energy Trust	—	\$ —	\$ —	—	135,000	\$ 1,599,585	\$ 1,582,200	—
ARC Energy Trust	—	—	—	—	225,200	3,800,566	4,031,080	—
Acclaim Energy Trust	—	—	—	—	200,000	2,841,423	2,880,000	—
Bonavista Energy Trust	250,000	7,181,038	9,525,000	—	220,000	5,920,987	5,962,000	—
Bonavista Energy Trust Sub. Receipts	—	—	—	—	55,000	1,421,750	1,476,200	—
Crescent Point Energy Trust	300,000	5,475,518	6,204,000	—	226,900	3,853,002	3,823,265	—
Daylight Energy Trust	731,600	7,627,462	9,093,788	—	450,000	4,633,250	4,320,000	—
Fairborne Energy Trust	500,000	5,628,115	8,250,000	—	—	—	—	—
Focus Energy Trust	300,000	6,317,216	7,716,000	—	123,500	4,306,435	4,263,595	—
Freehold Energy Trust	—	—	—	—	173,175	3,095,227	3,021,904	—
Harvest Energy Trust	—	—	—	—	191,200	4,256,446	4,388,040	—
Ketch Resources Trust	433,900	5,910,888	4,877,036	—	—	—	—	—
NAL Oil & Gas Trust	300,000	4,219,835	5,424,000	—	337,000	4,647,135	4,566,350	—
Paramount Energy Trust	350,000	5,813,659	7,759,500	—	348,300	5,472,731	5,551,902	—
PennWest Energy Trust	90,000	3,369,054	3,419,100	—	—	—	—	—
Peyto Energy Trust	—	—	—	—	75,000	3,203,430	3,587,250	—
Progress Energy Trust	600,000	8,408,417	10,302,000	—	233,000	3,175,621	3,150,160	—
Shiningbank Energy Trust	—	—	—	—	160,000	3,452,276	3,438,400	—
Trilogy Energy Trust	400,000	8,103,375	9,520,000	—	—	—	—	—
Vault Energy Trust	650,000	8,076,697	7,410,000	—	—	—	—	—
Zargon Energy Trust	175,000	4,416,397	5,556,250	—	190,200	4,418,377	4,536,270	—
		80,547,671	95,056,674	72.8%		60,098,241	60,578,616	56.8%
Oil & Gas Corporations								
Bankers Petroleum Ltd.	1,000,000	1,407,918	1,410,000	—	—	—	—	—
Cyries Energy Inc.	93,600	1,505,653	1,404,936	—	—	—	—	—
Fairborne Energy Ltd.	—	—	—	—	132,000	1,646,514	1,590,600	—
Ketch Resources Ltd.	—	—	—	—	325,000	5,420,075	5,492,500	—
Midnight Oil Exploration Ltd.	—	—	—	—	200,000	597,296	680,000	—
Starpoint Energy Ltd.	—	—	—	—	775,000	4,127,326	4,107,500	—
Fairquest Energy Ltd.	125,000	954,933	1,038,750	—	—	—	—	—
Falcon Oil & Gas Corp	1,084,900	744,037	683,487	—	—	—	—	—
International Frontier Resources Inc.	200,000	408,160	400,000	—	—	—	—	—
Midnight Oil Exploration	371,400	1,574,724	1,641,588	—	—	—	—	—
Open Range Energy Corp.	120,000	372,000	570,000	—	—	—	—	—
ProEx Energy Ltd.	123,500	2,100,920	2,025,400	—	—	—	—	—
TG World Energy Corp.	325,000	385,414	331,500	—	—	—	—	—
		9,453,759	9,505,661	7.3%		11,791,211	11,870,600	11.1%
Oil & Gas Service Trusts								
Builders Energy Services Trust	150,000	2,532,484	2,805,000	—	—	—	—	—
CCS Income Trust	20,500	528,672	758,500	—	40,000	1,555,654	1,757,200	—
High Arctic Energy Services Trust	400,000	4,897,564	5,140,000	—	—	—	—	—
Peak Energy Services Ltd.	—	—	—	—	181,100	1,611,835	1,648,010	—
Phoenix Technological Services	200,000	1,737,070	1,902,000	—	—	—	—	—
Stoneham Drilling Trust	—	—	—	—	47,400	568,800	568,800	—
Trinidad Energy Services Income Fund	300,000	3,675,800	4,746,000	—	150,000	1,491,463	1,566,000	—
Wellco Energy Services Income Trust	—	—	—	—	200,000	2,169,122	2,264,000	—
		13,371,590	15,351,500	11.7%		7,396,874	7,804,010	7.3%
Other Resource Corporations								
Leader Energy Services Inc.	203,300	856,505	884,355	—	—	—	—	—
QGX Ltd.	275,000	1,201,349	1,155,000	—	—	—	—	—
Savanna Energy Services Corp.	30,000	831,752	858,000	—	—	—	—	—
Steeplejack Industrial Group Inc.	120,000	854,419	852,000	—	—	—	—	—
Western Prospector Group Ltd.	450,000	1,810,324	2,250,000	—	—	—	—	—
		5,554,349	5,999,355	4.6%		—	—	—
Energy Plus - repurchased units to be cancelled	4,500	52,776	52,740	0.1%	—	—	—	—
Investments		108,980,145	125,965,930	96.5%		79,286,326	80,253,226	75.2%
Cash and Term Deposits		4,538,704	4,538,704	3.5%		26,503,912	26,503,912	24.8%
Total		\$ 113,518,849	\$ 130,504,634	100.0%		\$ 105,790,238	\$ 106,757,138	100.0%

All of the oil & gas royalty trusts and oil & gas service trusts are trust units, while all of the oil & gas corporations and other resource corporations are common shares.

Notes to Financial Statements

December 31, 2005 and 2004

1. STRUCTURE OF THE FUND

Energy Plus Income Trust (the "Fund" or "Energy Plus") is a closed-end investment trust established under the laws of Alberta pursuant to a Declaration of Trust dated as of September 23, 2004. The Fund commenced operations upon completion of its initial public offering on November 16, 2004. The Fund does not have a fixed termination date but may be terminated at any time upon not less than 90 days written notice to the Administrator with the prior approval of the unitholders of the Fund by special resolution passed at a meeting called for such purpose.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements, prepared in accordance with Canadian generally accepted accounting principles, include estimates and assumptions by management that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the period. Actual results may differ from these estimates. The following is a summary of the significant accounting policies.

(a) Cash and cash equivalents

Cash consists of cash on hand and short term bankers' acceptances with maturities of less than 90 days on acquisition.

(b) Valuation of investments

Investments are stated at market values based on closing market quotations. Average cost is used to compute realized and unrealized gains or losses on investments. Investment transactions are recorded on the trade date.

(c) Canadian income taxes

The Fund qualified as a unit trust within the meaning of the Income Tax Act (Canada). Provided the Fund distributes to its unitholders its net income for tax purposes, the Fund will not generally be liable for income tax under Part 1 of the Income Tax Act (Canada). As all taxable income was allocated to unitholders in 2005 and 2004, no provision for income taxes has been made in these financial statements.

(d) Investment income

Dividend income is recorded on the ex-dividend date, interest is recognized as earned and distribution income is recorded on the ex-distribution date. Capital gains and losses are recognized on the trade date.

(e) Financial instruments

The fair values of the Fund's financial instruments which are comprised of cash and term deposits, revenue receivable, accounts receivable, prepaid expenses, accounts payable and accrued liabilities, and distributions payable approximate their carrying amount due to the short-term maturity of these instruments.

3. UNITHOLDERS' CONTRIBUTION

Authorized

The authorized capital of the Fund consists of an unlimited number of trust units which are transferable redeemable units of beneficial interest.

Issued and outstanding	2005		2004	
	Number	Amount	Number	Amount
Trust units – beginning of period	11,171,679	\$ 105,208,324	–	\$ –
Issued for cash:				
Initial public offering	–	–	10,500,000	105,000,000
Over-allotment provision	–	–	650,000	6,500,000
Agents' fees and issue costs	–	(13,113)	–	(6,507,736)
Issued for services (note 4)	135,116	1,379,971	20,302	203,020
Issued under DRIP	37,091	387,769	1,377	13,040
Unit distribution and consolidation	–	4,829,028	–	–
Repurchase of trust units	(2,517,025)	(30,666,085)	–	–
Trust units – end of period	8,826,861	\$ 81,125,894	11,171,679	\$ 105,208,324

The weighted average number of units outstanding in 2005 was 11,179,749 (2004 - 10,947,686 units). Energy Plus declared a special distribution of \$0.5471 per unit to unitholders of record on December 31, 2005, which was payable in units of the Fund. The unit distribution was immediately consolidated into the fund's previously issued and outstanding units.

The Fund has a mandatory repurchase program whereby units offered for sale at a discount to the Fund's net asset value per unit of greater than 5% are repurchased for cancellation, subject to a maximum of 1.25% in each calendar quarter of the total number of units outstanding at the beginning of each such quarter. During 2005, the Fund repurchased 274,200 units at an average cost of \$11.07 per unit under this program (2004 - no units).

Unitholders have the right to redeem their units on an annual basis in December of each year. The redemption value is net asset value less the costs of and associated with selling sufficient investments to meet the redemption amount. In December 2005, unitholders redeemed a total of 2,242,825 trust units at a redemption value of \$12.32 per unit for a total of \$27.6 million.

Unitholders of Energy Plus can acquire additional units by participating in the Distribution Reinvestment Plan ("DRIP"). The DRIP enables unitholders to reinvest their monthly distributions in additional units of the Fund at the 5 day weighted average market price of the Fund's units. In 2005, a total of 37,091 units (2004 - 1,377 units) were issued under the DRIP.

4. ADMINISTRATIVE AND INVESTMENT MANAGER/DIRECTORS' FEES

N.A. Energy Management Inc. ("NAEM") is the administrator of the Fund and Galileo Equity Management Inc. is the investment manager of the Fund. Pursuant to the administrative services and investment management agreements, aggregate administrative and investment manager fees are based upon 1.1% of the aggregate of the average weekly net asset value of the Fund, payable in units monthly in arrears. During 2004, the Fund issued 129,265 trust units and recorded an expense of \$1,409,707 in respect of the administrative and investment management fees during the period (2004 - 14,052 units for a total expense of \$150,356). The administrative services agreement also provides for the reimbursement of certain expenses incurred by the administrator during the performance of its duties. As at December 31, 2004, included in accounts receivable were amounts owed from NAEM of \$172,217 (2004 - \$112,420).

Directors of NAEM received a total of 5,851 trust units in 2005 (2004 - 6,250 units) as payment for their annual retainers.

5. TRAILER FEE

Energy Plus pays a trailer fee to investment dealers calculated and payable quarterly in arrears at an annual rate of 0.40% of the net asset value of the Fund held by unitholders in accounts with investment dealers. During 2005, the Fund recorded an expense of \$464,389 (2004 - \$55,858) relating to the trailer fee.

6. INVESTMENTS

The net realized gain on the sale of investments was determined as follows:

	2005	2004
Net proceeds from the sale of securities	\$ 172,395,454	\$ 7,605,258
Less cost of securities sold:		
Investments at cost - beginning of period	79,286,326	-
Investments purchased during period	184,997,166	86,525,104
Investments at cost - end of period	(108,980,145)	(79,286,326)
Cost of investments disposed of during period	155,303,347	7,238,778
Net realized gain on sale of investments	\$ 17,092,107	\$ 366,480

7. DISTRIBUTIONS

The Fund pays out monthly cash distributions based upon cash distributions received by the Fund less estimated expenses. In addition, the Fund declared a special unit distribution of \$0.5471 per unit at December 31, 2005 with immediate consolidation of the units such that the number of units remains unchanged.

	2005	2004
Net investment income for the period	\$ 11,127,031	\$ 899,372
Add fees paid by issuance of units	1,379,981	148,332
Capital distributed (cash flow retained)	(994,156)	(12,830)
Cash distributions	11,512,856	1,034,874
Special unit distribution	4,829,028	–
Total distributions	\$ 16,341,884	\$ 1,034,874
Cash distributions per unit	\$ 1.0602	\$ 0.0950
Special unit distribution per unit	0.5471	–
Total distributions per unit	\$ 1.6073	\$ 0.0950

8. LOAN PAYABLE

The Fund maintains a credit facility with a Canadian chartered bank for up to a maximum amount of \$25 million. No amount was drawn under the credit facility as at December 31, 2005 and 2004 although amounts were drawn on the facility periodically throughout 2005. The credit facility is a revolving facility that will revolve until November 25, 2006 and for a further 364 days at the option of the bank. Borrowings are collateralized by a general security agreement which provides a first floating charge over the Fund's assets. The facility bear interest at the bank's prime lending rate or at rates slightly below prime if incurred by way of bankers' acceptances.

9. BROKER COMMISSIONS

The Fund paid commissions to brokers of \$1,051,128 in 2005 (2004 – \$222,659) in relation to the purchase and sale of investments.

10. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for 2005.

11. SUBSEQUENT EVENT

On December 29, 2005, the Fund announced a rights offering whereby each holder of a unit on the record date of January 9, 2006 would receive one right. The rights offering closed on February 6, 2006, resulting in the issuance of an additional 2,206,715 units at a price of \$10.85 per unit for gross proceeds of \$23.9 million.

Corporate Information

Administrators

Citadel Diversified Management Ltd.
Citadel S1 Management Ltd.
Citadel TEF Management Ltd.
Citadel CPRT Management Ltd.
MYDAS Management Inc.
Citadel Multi-Sector Management Inc.
Citadel Series Management Ltd.
Citadel IG Management Ltd.
Equity Lift Management Ltd.
N.A. Energy Management Inc.
Stable Yield Management Inc.
Sustainable PE Management Inc.
Equal Weight Management Ltd.
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Fax: (403) 261-8670
Website: www.citadelfunds.com
Email: info@citadelfunds.com

Directors and Officers

Harold P. Milavsky - Chairman of the Board
Paul L. Waitzer - Director
Doug D. Baldwin - Director
Kent J. MacIntyre - Director
James T. Bruvall - Director and Chief Executive Officer
Darren K. Duncan - Chief Financial Officer

Investment Manager

(CTD.un, SDL.un, CHF.un, CRT.un, MYF.un,
CMS.un, SRC.un, CIF.un and CSR.un)
Bloom Investment Counsel, Inc.
Suite 1710, 150 York Street
Toronto, Ontario M5H 3S5

Investment Manager

(EPF.un and SPU.un)
Galileo Equity Management Inc.
161 Bay Street, Suite 4730
Toronto, Ontario M5J 2S1

Rebalancing Advisor

(IEP.un and EQW.un)
Shaunessy Investment Counsel
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Calgary, Alberta T2T 5R6

Trustee

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Custodian

CIBC Mellon Global Securities Services Company
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Calgary, Alberta T2P 5C5

Auditors

PricewaterhouseCoopers LLP
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Calgary, Alberta T2P 5L3

Stock Exchange Listings

The Toronto Stock Exchange
Citadel Diversified Investment Trust units: **CTD.un**
Citadel S-1 Income Trust Fund units: **SDL.un**
Citadel HYTES Fund units: **CHF.un**
Citadel SMaRT Fund units: **CRT.un**
MYDAS Fund units: **MYF.un**
Citadel Multi-Sector Income Fund units: **CMS.un**
Series S-1 Income Fund units: **SRC.un**
Citadel Income & Growth Fund units: **CIF.un**
Income & Equity Index Participation Fund units: **IEP.un**
Energy Plus Income Trust units: **EPF.un**
Citadel Stable S-1 Income Fund units: **CSR.un**
Sustainable Production Energy Trust units: **SPU.un**
Equal Weight Plus Fund units: **EQW.un**



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